

ASSEMBLY, No. 2925

STATE OF NEW JERSEY

219th LEGISLATURE

INTRODUCED FEBRUARY 20, 2020

Sponsored by:
Assemblyman JAY WEBBER
District 26 (Essex, Morris and Passaic)

SYNOPSIS

Waives certain inspection fees for municipally owned affordable housing developments.

CURRENT VERSION OF TEXT

As introduced.



1 AN ACT waiving certain inspection fees for municipally owned
2 affordable housing developments and amending P.L.1967, c.76.

3
4 **BE IT ENACTED** *by the Senate and General Assembly of the State*
5 *of New Jersey:*

6
7 1. Section 13 of P.L.1967, c.76 (C.55:13A-13) is amended to
8 read as follows:

9 13. (a) Each multiple dwelling and each hotel shall be
10 inspected for the purpose of determining the extent to which each
11 hotel or multiple dwelling complies with the provisions of
12 P.L.1967, c.76 (C.55:13A-1 et seq.) and regulations promulgated
13 hereunder. The commissioner shall establish by regulation the
14 frequency of inspections, which shall be conducted as follows:

15 (1) each hotel shall be inspected at least once every five years;
16 and

17 (2) each multiple dwelling shall be categorized into the
18 following tiers based upon the number of reinspections required to
19 abate the violations that were served upon the owner following an
20 initial inspection:

21 (i) a multiple dwelling in which no violations are found or all
22 violations have been abated by the first reinspection shall be placed
23 in the highest tier and shall next be inspected in seven years, and
24 the inspection fee shall be due at that time;

25 (ii) a multiple dwelling in which all violations have been abated
26 by the second or third reinspection shall be placed in the middle tier
27 and shall next be inspected in five years, and the inspection fee
28 shall be due at that time;

29 (iii) a multiple dwelling in which all violations have not been
30 abated by the third reinspection shall be placed in the lowest tier
31 and shall next be inspected in two years, and the inspection fee shall
32 be due at that time.

33 (3) notwithstanding the provisions of paragraph (2) of this
34 section to the contrary, if the commissioner determines that tiered
35 inspection schedules do not adequately protect the health and safety
36 of residents of multiple dwellings, the commissioner may, by
37 regulation, require that cyclical inspections for multiple dwellings
38 occur once every five years.

39 (b) Within 30 days of the most recent inspection, the owner of
40 each hotel shall file with the commissioner, upon forms provided by
41 the commissioner, an application for a certificate of inspection.
42 Said application shall include such information as the commissioner
43 shall prescribe to enforce the provisions of this law. Said
44 application shall be accompanied by a fee as follows: \$15 per unit
45 of dwelling space for the first 20 units of dwelling space in any

EXPLANATION – Matter enclosed in bold-faced brackets **[thus]** in the above bill is
not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

1 building or project, \$12 per unit of dwelling space for the 21st
2 through 100th unit in any building or project, \$8 per unit of
3 dwelling space for the 101st through 250th unit in any building or
4 project, and \$5 per unit of dwelling space for all units over 250 in
5 any building or project, except that in the case of hotels open and
6 operating less than six months in each year the fee shall be one-half
7 that which would otherwise be required, or, as the case may be, the
8 fees established by rule for each of the foregoing pursuant to
9 subsection (e) of this section. A certificate of inspection and the
10 fees therefor shall not be required more often than once each
11 inspection cycle.

12 Additionally, there shall be reinspection fees for hotels in the
13 amount of \$10 for each dwelling unit reinspected or, as the case
14 may be, the fees established by rule for each of the foregoing
15 pursuant to subsection (e) of this section.

16 Within 30 days of the most recent inspection of any multiple
17 dwelling occupied or intended to be occupied by three or more
18 persons living independently of each other, the owner of each such
19 multiple dwelling shall file with the commissioner, upon forms
20 provided by the commissioner, an application for a certificate of
21 inspection. Said application shall include such information as the
22 commissioner shall prescribe to enforce the provisions of this law.
23 Said application shall be accompanied by a fee of \$33 per unit of
24 dwelling space for the first 7 units in any building or project, \$21
25 per unit of dwelling space for the 8th through the 24th unit in any
26 building or project, \$18 per unit for the 25th through the 48th unit
27 in any building or project, and \$12 per unit of dwelling space for all
28 units of dwelling space over 48 in any building or project, provided
29 that the maximum total fee for owner-occupied three-unit multiple
30 dwellings shall be limited to \$65 for owners having a household
31 income that is less than 80 percent of the median income for
32 households of similar size in the county in which the multiple
33 dwelling is located, and the maximum total fee for owner-occupied
34 four-unit multiple dwellings shall be limited to \$80 for owners
35 having a household income that is less than 80 percent of the
36 median income for households of similar size in the county in
37 which the multiple dwelling is located, or, as the case may be, the
38 fees established by rule for each of the foregoing pursuant to
39 subsection (e) of this section. A certificate of inspection and the
40 fees therefor shall not be required more often than once each
41 inspection cycle.

42 Additionally, there shall be reinspection fees for multiple
43 dwellings in the amount of \$40 for each dwelling unit reinspected,
44 or, as the case may be, the fees established by rule pursuant to
45 subsection (e) of this section, but only after the first reinspection.

46 The commissioner may waive the inspection fee for any unit
47 upon a finding that the unit has been thoroughly inspected within
48 the previous 12-month period under a municipal ordinance

1 requiring inspection upon change of occupancy in accordance with
2 the maintenance standards established by the commissioner under
3 P.L.1967, c.76 (C.55:13A-1 et seq.), and has received a municipal
4 certificate of occupancy as a result of that inspection.

5 If the commissioner finds that (1) a building has been thoroughly
6 inspected prior to resale since the most recent inspection in
7 accordance with this section, (2) the inspection prior to resale was
8 conducted by the municipality in accordance with the maintenance
9 standards established by the commissioner under P.L.1967, c.76
10 (C.55:13A-1 et seq.), and (3) a municipal certificate of occupancy
11 was issued as a result of that inspection, the commissioner may
12 accept the inspection done prior to resale in lieu of a current
13 inspection under this section. If the commissioner accepts an
14 inspection prior to resale in lieu of a current inspection, no fee shall
15 be charged for any inspection done by the commissioner within the
16 years remaining in the applicable inspection cycle after the date of
17 the inspection so accepted.

18 The commissioner shall waive the inspection fee for the first
19 inspection conducted pursuant to subsection (a) of this section with
20 respect to a multiple dwelling which is owned by a municipality or
21 an agency or instrumentality thereof, including any municipal
22 authority, and each unit of which is dedicated as very low income
23 housing, low income housing, or moderate income housing, as those
24 terms are defined in section 4 of P.L.1985, c.222 (C.52:27D-301 et
25 al.).

26 (c) If the commissioner determines, as a result of the most
27 recent inspection of any hotel or multiple dwelling as required by
28 subsection (a) of this section, that any hotel or multiple dwelling
29 complies with the provisions of P.L.1967, c.76 (C.55:13A-1 et seq.)
30 and regulations promulgated hereunder, then the commissioner shall
31 issue to the owner thereof, upon receipt of the application and fee as
32 required by subsection (b) of this section, a certificate of inspection.
33 Any owner to whom a certificate of inspection is issued shall keep
34 said certificate posted in a conspicuous location in the hotel or
35 multiple dwelling to which the certificate applies. The certificate of
36 inspection shall be in such form as may be prescribed by the
37 commissioner.

38 The commissioner may, upon finding a consistent pattern of
39 compliance with the maintenance standards established under
40 P.L.1967, c.76 (C.55:13A-1 et seq.) in at least 20 percent of the
41 units in a building or project, issue a certificate of inspection for the
42 building or project, in which case the inspection fee shall be
43 charged on the basis of the number of units inspected.

44 The commissioner may by rule establish standards for self-
45 inspection by condominium associations exercising control over
46 buildings of not more than three stories, constructed after 1976, and
47 certified by the local enforcing agency having jurisdiction as being

1 in compliance with the Uniform Fire Code promulgated pursuant to
2 P.L.1983, c.383 (C.52:27D-192 et seq.), in which at least 80 percent
3 of the dwelling units are occupied by the unit owners. The
4 commissioner shall issue a certificate of acceptance, which shall be
5 in lieu of a certificate of inspection, upon acceptance of any such
6 self-inspection and upon payment of a fee of \$25.

7 (d) If the commissioner determines, as a result of the most
8 recent inspection of any hotel or multiple dwelling as required by
9 subsection (a) of this section, that any hotel or multiple dwelling
10 does not comply with the provisions of P.L.1967, c.76 (C.55:13A-1
11 et seq.) and regulations promulgated thereunder, then the
12 commissioner shall issue to the owner thereof a written notice
13 stating the manner in which any such hotel or multiple dwelling
14 does not comply with P.L.1967, c.76 (C.55:13A-1 et seq.) or
15 regulations promulgated thereunder. Said notice shall fix such date,
16 not less than 60 days nor more than 180 days, on or before which
17 any such hotel or multiple dwelling must comply with the
18 provisions of P.L.1967, c.76 (C.55:13A-1 et seq.) and regulations
19 promulgated thereunder. If any such hotel or multiple dwelling is
20 made to comply with the provisions of P.L.1967, c.76 (C.55:13A-1
21 et seq.) and regulations promulgated thereunder on or before the
22 date fixed in said notice, then the commissioner shall issue to the
23 owner thereof a certificate of inspection as described in subsection
24 (c) of this section. If any such hotel or multiple dwelling is not
25 made to comply with the provisions of P.L.1967, c.76 (C.55:13A-1
26 et seq.) and regulations promulgated thereunder on or before the
27 date fixed in said notice, then the commissioner shall not issue to
28 the owner thereof a certificate of inspection as described in
29 subsection (c) of this section, and shall enforce the provisions of
30 P.L.1967, c.76 (C.55:13A-1 et seq.) against the owner thereof.

31 (e) The commissioner shall annually review the cost of
32 implementing and enforcing P.L.1967, c.76 (C.55:13A-1 et seq.),
33 including the cost to municipalities of carrying out inspections
34 pursuant to section 21 of P.L.1967, c.76 (C.55:13A-21), and shall
35 establish by rule, not more frequently than once every three years,
36 such fees as may be necessary to cover the costs of such
37 implementation and enforcement; provided, however, that any
38 increase or decrease shall be applied as a uniform percentage to
39 each category of fee established herein, and provided, further, that
40 the percentage amount of any increase shall not exceed the
41 percentage increase in salaries paid to State employees since the
42 then current fee schedule was established. The commissioner shall
43 provide by rule to owners the option of paying inspection fees in
44 installments in the form of an annual fee. The commissioner shall
45 annually prepare and file with the presiding officers of the Senate
46 and General Assembly and the legislative committees having
47 jurisdiction in housing matters a report setting forth the amounts of
48 fees and penalties received by the Bureau of Housing Inspection,

1 the cost to the bureau of enforcing P.L.1967, c.76 (C.55:13A-1 et
2 seq.), and information concerning the productivity of the bureau.
3 Copies of the report shall also be submitted to the Office of
4 Administrative Law for publication in the New Jersey Register. If
5 in any State fiscal year the fee revenue received by the bureau
6 exceeds the cost of enforcement of P.L.1967, c.76 (C.55:13A-1 et
7 seq.), the excess revenue shall be distributed pro rata to persons
8 who paid inspection fees during that fiscal year. Such distribution
9 shall be made within three months after the end of the fiscal year.

10 (f) Except as otherwise provided in section 2 of P.L.1991, c.179
11 (C.55:13A-26.1), the fees established by or pursuant to the
12 provisions of this section are dedicated to meeting the costs of
13 implementing and enforcing P.L.1967, c.76 (C.55:13A-1 et seq.)
14 and shall not be used for any other purpose. All receipts in excess
15 of \$2,200,000 are hereby appropriated for the purposes of
16 P.L.1967, c.76 (C.55:13A-1 et seq.).

17 (cf: P.L.2019, c.202, s.2)

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19 2. This act shall take effect immediately and shall be
20 retroactive to January 1, 2017.

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STATEMENT

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25 This bill would waive the fees for the initial five-year inspection
26 under the "Hotel and Multiple Dwelling Law," P.L.1967, c.76
27 (C.55:13A-1 et seq.) for municipally owned affordable housing
28 developments. To qualify for this fee waiver, a multiple dwelling
29 would have to be owned by a municipality and every unit in the
30 building would have to be dedicated as affordable housing. This
31 bill would help limit the costs borne by municipalities, and
32 ultimately property taxpayers, in the production of affordable
33 housing.